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Foreign Crops and MARKETS



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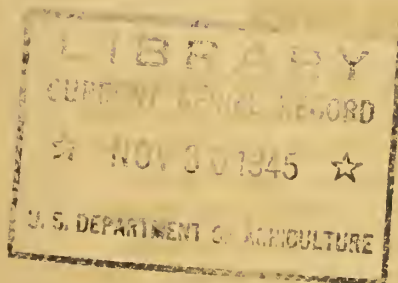
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LATE FOREIGN DEVELOPMENTS . . .

CANADIAN WHEAT SEEDING PROGRESSES

Wheat seeding in the Prairie Provinces of Canada is progressing earlier than usual this year, with sowings virtually completed in Manitoba at the beginning of May. About 20 percent of Saskatchewan's acreage had been seeded in late April, according to reports. At the same time, seeding was well advanced in southern Alberta, but was just beginning in the north. The early work was made possible by above-average temperatures and dry weather during April.

General rains at the end of April gave some relief from the dry conditions in most regions. The rainfall was general over most of Manitoba, ranging from half an inch to over an inch in that Province, as well as in eastern and central Saskatchewan. Scattered showers were reported in Alberta. While the rains provided some relief from dry conditions and stopped soil drifting, which was beginning in some regions, it was not generally sufficient to bring April moisture up to normal.

MEXICO EXPECTS RECORD FATS AND OILS SUPPLY THIS YEAR

The outlook in Mexico for 1944 is for a record high, both in total and per capita supply of all vegetable and animal fats and oils. The total supply is now forecast at 180,235 metric tons (198,670 short tons) compared with 171,281 tons in 1943 and 173,348 tons in 1942. The distribution as between the various kinds of oils and fats, however, is not so favorable. For example, there is an ample supply of soft vegetable oils but a shortage of hard vegetable oils. In addition, there appears to be an ample supply of lard but a prospective shortage of tallow.

CUBA SUSPENDS BEEF SLAUGHTER FOR EXPORT

On April 19, the Cuban Government published a decree which suspended for 120 days all further slaughter of beef for export to agencies of the United States Government. This suspension of slaughter for export is an effort to relieve the shortage of beef in Habana, which for several months has been becoming more and more acute. Slaughter for export under this program in Cuba commenced on December 6, 1943, and ceased on April 24, 1944, or 5 days after publication of the suspension decree. During this period, 4-1/2 months, a total of 8,231 head of cattle were slaughtered.

BRITISH ALLOW ADDITIONAL INCREASE IN MILK RATION

The British Ministry of Food announced on April 29 that the weekly allowance of milk to nonpriority consumers would be increased from 2-1/2 to 3 pints, effective May 7. Allowance of milk to the restaurant trade was to be increased from 7-1/2 to 9 pints per 100 hot beverages served. The seasonal increase made it possible to distribute more milk for domestic consumption, at the same time allowing for maximum manufacture of milk products for the armed forces. But on May 5 it was announced that milk production was increasing so rapidly that the increase to individuals would be to 4 pints and to restaurants 12 pints per 100 hot beverages served.

GRAINS AND GRAIN PRODUCTS . . .

Gordon P. Boals, in charge

ARGENTINA INCREASES MINIMUM CORN PRICE

The Argentine Government announced early in May that its guaranteed price to corn producers has been increased to 5.95 pesos per 100 kilograms (45 cents per bushel in United States currency). This is a substantial rise over the original guaranteed minimum of 5.20 pesos (39 cents per bushel). The decree states that the guaranty as originally set was based on the expectation of a larger corn crop than the first official estimate indicated. Resale of corn for domestic consumption as reported at 6.10 pesos (46.1 cents per bushel) provides a smaller margin of profit to the handling Board than the old rate did. The Government's selling price to exporters is now reported at 7.75 pesos per 100 kilograms or around 58.6 cents per bushel in United States currency. The original export price announced was the equivalent of about 53 cents. (See Foreign Crops and Markets, April 24, 1944.)

The Argentine corn harvest, now being completed, is reported to have suffered considerable damage in some sections, as a result of excessive rainfall in April. Trade sources suggest that the production estimate will probably undergo some downward revision. Losses were reported to be considerable in southwestern Buenos Aires, with yields below normal in the western section of that Province. In the important corn areas of northern and central Buenos Aires, however, yields were reported to be normal. The outturn was said to be generally good in Santa Fe, except in the less important northern part. Yields were reported to be poor in the Pampa. In Entre Rios returns were considered satisfactory, but were somewhat irregular in Cordoba.

CANADIAN WHEAT FEEDING CONTINUES LARGE

Canadian wheat retained on farms for feeding livestock and poultry during the 1943-44 crop year is estimated to be around 75 million bushels, according to a preliminary forecast by the Dominion Bureau of Statistics at Ottawa. Although the figure for the current season is slightly less than the amount retained for feed in the preceding year, when wheat fed reached a record level, it is considerably larger than normal. The quantity retained for feed represents 26 percent of the total produced, which is a record proportion of the crop reserved for that use. Last year's revised estimate of 81 million bushels was only 15 percent of the year's record crop. Present indications point to total wheat feedings of upward of 95 million bushels during 1943-44, compared with around 100 million bushels a year ago, and average feedings of 35 to 40 million. This would leave about 20 million bushels to be purchased as feed during the remainder of the year, in addition to that reserved for use where grown.

More than 75 percent of the amount reported as remaining on farms for feed this season was in the two Prairie Provinces, Saskatchewan and Alberta. Those two Provinces, together with Manitoba and the eastern Province of Ontario, accounted for over 97 percent of the total. A considerable part of Ontario's feed needs this year are expected to be shipped in from the west, since the small 1943 grain crops in Ontario fell far short of feed requirements, and the Province's retention of wheat for feed was little more than half the comparable figure for last year. Wheat shipped

to Ontario and Quebec in 1942-43 under the Federal Freight Assistance Policy, which would prohibit its use for anything except feed, was reported at 14,601,246 bushels. That, added to reported retention for feeding of 17,353,000 bushels, would indicate a supply of about 32,000,000 bushels of wheat for feeding during the year. If feed requirements are near the 1942-43 level this season, grain shipments to that area would need to be increased considerably to make up the large reduction in all grain crops in Ontario this year. Shipments of wheat to Ontario and Quebec under the free-freight plan have been substantial this season, being reported at 14,468,013 bushels for the 8 months, August-March, compared with 8,664,247 bushels for the similar period of 1942-43.

CANADA: Wheat production and amount retained for feed on farm
where grown, by Provinces, 1939-40 to 1943-44 ^{a/}

PROVINCE	1939-40	1940-41	1941-42	1942-43	1943-44
	b/				
PRODUCTION	1,000	1,000	1,000	1,000	1,000
	bushels	bushels	bushels	bushels	bushels
Prince Edward Island	165:	238:	168:	162:	148
Nova Scotia	45:	55:	40:	53:	32
New Brunswick	140:	176:	80:	84:	61
Quebec	577:	522:	533:	554:	503
Ontario	23,821:	23,400:	15,884:	24,252:	13,857
Manitoba	61,300:	66,400:	51,000:	53,000:	41,000
Saskatchewan	271,300:	266,700:	147,000:	305,000:	156,000
Alberta	161,400:	180,700:	98,000:	171,000:	80,000
British Columbia	1,875:	1,999:	2,120:	2,579:	2,059
All Canada	520,623:	540,190:	314,825:	556,684:	293,660
RETAINED FOR FEED	:	:	:	:	:
Prince Edward Island	30:	57:	69:	89:	96
Nova Scotia	13:	15:	16:	28:	19
New Brunswick	48:	64:	52:	57:	43
Quebec	248:	277:	312:	377:	392
Ontario	17,000:	14,508:	10,807:	16,976:	9,700
Manitoba	3,024:	4,325:	5,520:	6,000:	6,500
Saskatchewan	7,499:	11,199:	18,268:	27,000:	31,000
Alberta	7,988:	16,576:	19,632:	29,600:	26,000
British Columbia	938:	1,079:	983:	1,625:	1,338
All Canada	36,788:	48,100:	55,659:	81,152:	75,088
PERCENTAGE OF PRODUCTION RETAINED FOR FEED	Percent	Percent	Percent	Percent	Percent
Prince Edward Island	18.0:	24.0:	41.0:	55.0:	65.0
Nova Scotia	29.0:	28.0:	40.0:	52.0:	60.0
New Brunswick	34.0:	36.0:	65.0:	68.0:	70.0
Quebec	43.0:	53.0:	59.0:	68.0:	78.0
Ontario	71.4:	62.0:	68.0:	70.0:	70.0
Manitoba	4.9:	6.5:	11.0:	11.0:	16.0
Saskatchewan	2.8:	4.2:	12.0:	9.0:	20.0
Alberta	4.9:	9.2:	20.0:	17.0:	33.0
British Columbia	50.0:	54.0:	46.0:	63.0:	65.0
All Canada	7.1:	8.9:	18.0:	15.0:	26.0

From Dominion Bureau of Statistics, Ottawa.

^{a/} Marketing year beginning August 1. ^{b/} Preliminary estimates.

BRAZIL GRANTS AID TO RIO GRANDE DO SUL RICE INDUSTRY

The Brazilian Government on March 27 authorized the loan of \$3,500,000 to the State of Rio Grande do Sul for the purpose of expanding its rice industry and acquiring the increased production to be harvested in 1944 and 1945. The loan will be advanced to that State by the Bank of Brazil under such terms as it may specify. The Rio Grande Rice Institute will function as the agent for the State in making loans to the rice industry.

A feature of the loan is a credit of \$2,500,000 to facilitate the fulfillment of the contract signed on December 21, 1943, between Brazil, the United States, and the United Kingdom. In this agreement the latter two countries undertook the purchase of the entire surplus of certain varieties and types from the 1943-44 and 1944-45 rice crops, with the exception of a specified quantity to be shipped to the countries in the Western Hemisphere that normally import rice from Brazil.

The remaining \$1,000,000 is to be loaned for the purchase and installation of equipment to be used for the cultivation, milling, and distribution of rice in Rio Grande do Sul. This portion of the authorized amount is to have a maximum loan period of 10 years, and credit is extended up to the full cost of the equipment.

Rio Grande do Sul, usually the country's second-largest rice-producing State, is the principal area in Brazil from which rice is exported. Improvement through irrigation and intensified cultivation has resulted in a quality of rice in that State which meets the demand in foreign countries. The average yield per acre of 45 bushels is about the same as that in the United States, but it is substantially above the estimated average of about 28 bushels for all Brazil.

The weather has been very favorable for growth and harvesting throughout this season's expanded rice area in Rio Grande do Sul. Production estimates vary from 645 to 715 million pounds of milled rice, an increase ranging from 215 to 285 million pounds above the 1942-43 crop. A large proportion of this year's crop will be available for export. Approximately 80 million pounds will be needed for consumption, and possibly some will be required for shipment to other Brazilian States where production in the past has been insufficient for domestic needs.

The amount to be delivered to other States will probably be negligible, because indications are that in addition to producing sufficient rice for their own use, some of the former deficit areas this year may have surpluses for export. Large production increases will be harvested in most States with the exception of Sao Paulo, where dry weather has reduced the crop. On February 17, the Brazilian Government authorized rice exportation from all States in which a surplus exists after an amount equal to consumption in 1943 has been set aside for domestic use.

The Brazilian surplus, according to the December agreement, is to be shipped principally from May to December. Whether or not the entire surplus can be exported will depend on the extent to which additional equipment and labor can be supplied for milling, storing, and transporting the increased production. In any event, the 1944 rice exports, particularly from Rio Grande do Sul, are expected to be greatly in excess of those of any previous year.

VEGETABLE OILS AND OILSEEDS . . .

Fred J. Rossiter, in charge

ARGENTINE SUNFLOWER SEED PRODUCTION EXCEEDS EXPECTATIONS

Argentina is now harvesting the largest sunflower-seed crop on record. According to the first official estimate, production is placed at 2.6 billion pounds from 3.3 million acres compared with 743.6 million pounds and 1.7 million acres in 1943. Trade sources, however, consider the current estimate too high in view of the excessive rains during March and April. Argentina now ranks second among sunflower producing countries of the world. The Soviet Union is still by far the largest producer, with Rumania third in importance. The only other countries that produce this oilseed on a commercial scale are Bulgaria, Hungary, and Yugoslavia.

ARGENTINA: Area, production, and crushings of sunflower seed,
1936-37 to 1943-44

	ARGENTINE UNITS		UNITED STATES UNITS		SEED	NET OIL
	AREA	PRODUCTION	AREA	PRODUCTION	CRUSHED <u>a/</u>	PRODUCED <u>a/</u>
			1,000	1,000	1,000	1,000
	Hectares	Metric tons	acres	pounds	pounds	pounds
1936-37	206,762	103,441	511	228,046	252,706	58,801
1937-38	318,848	241,005	788	531,320	495,993	117,454
1938-39	333,273	270,000	824	595,242	532,152	128,845
1939-40	505,600	375,000	1,249	826,725	665,990	162,245
1940-41	574,131	495,000	1,419	1,091,277	885,605	222,647
1941-42	750,000	670,000	1,853	1,477,082	1,461,108	385,521
1942-43	674,000	337,302	1,665	743,616	<u>b/</u>	<u>b/</u>
1943-44 <u>c/</u> . .	1,338,000	1,200,000	3,306	2,645,520	-	-

Compiled from official sources.

a/ Calendar year in which crop was harvested. b/ Not available. c/ First estimates.

If the Argentine crop is as large as indicated, oil production should range from 250,000 to 275,000 short tons. Since domestic consumption of edible oils is about 100,000 tons annually, an oil output of that size would provide a surplus of at least 150,000 tons. Such a surplus should be useful for meeting the needs of the United Nations and possibly for relief purposes in liberated areas in Europe.

The Argentine Government for several years has been encouraging increased plantings of sunflower seed in order to assure a sufficient quantity for domestic consumption, and this past season urged an expanded production to afford an exportable surplus to meet the demand from the United Nations. A price of 13.00 pesos per 100 kilograms (\$1.76 per 100 pounds) is guaranteed producers for this year's crop. If it should become necessary for the Government to support prices, the Grain Board is empowered to purchase. This is not likely to occur, however, as some transactions were effected for April delivery at 14.50 pesos per 100 kilograms (\$1.96 per 100 pounds).

Exports of both sunflower seed and oil were greatly reduced in 1943, compared with those of 1942. This was due to a Government decree of May 6, 1943, prohibiting

shipments, necessitated by the short crop harvested last year. Since the ban on exports was lifted on April 24, exports of considerable volume may be expected in 1944 if shipping space can be made available.

ARGENTINA: Exports of sunflower seed and oil,

1937-1943

YEAR <u>a/</u>	ARGENTINE UNITS		UNITED STATES UNITS <u>b/</u>	
	SUNFLOWER SEED	OIL	SUNFLOWER SEED	OIL
	Metric tons	Metric tons	1,000 pounds	1,000 pounds
1937	26	-	57	-
1938	2,787	-	6,145	-
1939	15,496	-	34,162	-
1940	23,674	-	52,191	-
1941	17,537	11,909	38,663	26,254
1942	34,960	59,387	77,072	130,926
1943 <u>c/</u>	20,123	32,551	44,363	71,762

Compiled from official sources.

a/ Calendar year in which crop was harvested.

b/ Conversions made from original figures, expressed in kilograms.

c/ Preliminary.

An interesting feature of the Argentine vegetable-oil situation is the tremendous expansion in the crushing industry. Less than 10 years ago total crushings were around 275,000 tons, in 1942 they reached 1,117,000 tons, and in 1943 they were probably much larger. It is reported that during the current year mills will process from 1,200,000 to 1,500,000 tons of flaxseed in addition to the large sunflower-seed crop. The latest information available on processing is for 1942 when 1.5 billion pounds of sunflower seed were consumed, representing 59 percent of the total oilseed crushings for that year.

CANADA TO IMPORT PALM KERNELS FREE OF DUTY AND IMPORT TAXES

Beginning April 1, 1944, palm kernels are to be imported into Canada free of duty and are also exempt from the War Exchange Tax and Special Excise Tax. It is understood that the palm kernels, for which special tariff provision has been made, are to be imported from British West Africa and are to be crushed in Canada. The crushing of palm kernels creates a new industry in that country. The palm oil is to be used in the manufacture of soap and other articles that were formerly made from coconut oil. Canadian imports of coconut oil averaged 17,000 long tons during the 5-year period, 1934-1938.

Canada has contracted for some 7,000 long tons of palm kernels from British West Africa at a price of approximately 1.7 Canadian cents per pound. Although the nuts will be imported from a British country entitled to the benefits of the British preferential tariff, free entry has been generalized so that it will not be necessary for the kernels to be imported direct or through a British country in order to enter Canada duty and tax free. The removal of duty and taxes will reduce by that amount the subsidy payments to be made by the Commodity Prices Stabilization Corporation.

LIVESTOCK, MEATS, AND WOOL . . .

Charles A. Burmeister, in charge

NEW ARGENTINE FIXED PACKER PRICES FOR CATTLE AND SHEEP

Upon the suggestion of the National Meat Board, the Argentine Ministry of Agriculture again readjusted beef-cattle prices, effective January 3, 1944. The previous adjustment was made last October after completion of the contract under which the entire Argentine surplus was purchased by the United Nations. At that time the dressed-weight prices paid by packers for cattle obtained on the ranch and at the principal markets were readjusted on the basis of the higher price received for export beef under the contract.

Those advanced prices were made retroactive and were to be paid for all the cattle acquired by the packing houses since August 23, 1943. They showed increases of 2.4 centavos per kilogram (32 cents per 100 pounds) for dressed beef of chiller or frozen types for export, all of which is now being shipped in the frozen state (Argentine grades J, U 1, U 2, and N), and 4.5 centavos per kilogram (61 cents per 100 pounds) for the grades used for canned corned beef and dehydrated beef (grades T 1, T 2, and A).

ARGENTINA: New fixed prices per 100 pounds, for steers, dressed weight, effective January 3, 1944 a/

GRADE AND DESCRIPTION	EFFECTIVE AT RANCHES		EFFECTIVE AT MARKETS	
	OCT. 15, 1943	JAN. 3, 1944	OCT. 15, 1943	JAN. 3, 1944
	Dollars	Dollars	Dollars	Dollars
Chiller type (sides) -	:	:	:	:
First grade J -	:	:	:	:
Up to 375 pounds	8.62	8.59	8.51	8.48
376 - 386 pounds	8.49	8.47	8.39	8.36
387 - 397 pounds	8.15	8.12	8.05	8.02
Over 397 pounds	7.05	7.46	6.95	7.35
Second Grade U -	:	:	:	:
1st quality -	:	:	:	:
Up to 375 pounds	8.11	8.08	8.00	7.98
376 - 386 pounds	8.00	7.98	7.90	7.87
387 - 397 pounds	7.68	7.65	7.57	7.55
Over 397 pounds	6.59	6.99	6.48	6.89
2d quality -	:	:	:	:
Up to 375 pounds	7.57	7.55	7.47	7.45
376 - 386 pounds	7.48	7.46	7.38	7.36
387 - 397 pounds	7.17	7.15	7.07	7.05
Over 397 pounds	6.03	6.44	5.93	6.33
Frozen type (superior) N -	:	:	:	:
Up to 375 pounds	7.36	7.35	7.26	7.25
376 - 386 pounds	7.28	7.27	7.17	7.16
387 - 397 pounds	6.97	6.96	6.87	6.86
Over 397 pounds	5.86	6.26	5.75	6.15

La Res, January 20, 1944. a/ See Foreign Crops and Markets, February 8, 1943; April 13 and January 5, 1942; July 7 and March 3, 1941, for earlier fixed prices.

The increased dressed-weight prices for beef meant that live cattle of the chiller type (J, U 1, and U 2) could be sold for 33 centavos per kilogram (\$5.13 per 100 pounds) and those suitable for canned corned beef and dehydrated beef could be sold as follows per kilogram, live weight: Grade T 1, 32 centavos (\$4.32 per 100 pounds): grade T 2, 29 centavos (\$3.92); and grade A, 26 centavos (\$3.51).

The prices that became effective January 3, result in packers paying slightly lower prices for light-weight steers but higher prices for heavier weights. Prices paid for steers yielding sides weighing up to 397 pounds (180 kilograms) have been reduced by 2 to 3 cents per 100 pounds, dressed weight, whereas those of heavier weight were increased by 40 to 41 cents per 100 pounds, depending on grade.

Prices to be paid for Patagonian sheep and lambs for the 1944 season were decided on at a meeting between the Minister of Agriculture, representatives of the National Meat Board, the Corporation of Argentine Meat Producers, and Swift and Armour (de La Plata) packing plants. The prices fixed for lambs of all categories were lower than those paid during the 1943 or 1942 seasons, whereas the prices of wethers and ewes bought for freezing were increased 5 to 6 cents per 100 pounds above 1943. The prices of canner and butcher types, as well as those used for digester tankage were all lower than in 1943.

The reason given for lowering the prices of lambs was the increased cost of preparing for export, such as higher wages, higher prices for fuel, materials, and shipping freights, and lower prices for byproducts. Prices of ewes and wethers were fixed at a higher level because of the increase in the price paid by the United Kingdom for mutton under the current contract.

ARGENTINA: Fixed prices packers pay per 100 pounds for Patagonian sheep and lambs, live weight, at port, 1944 season with comparisons

CLASSIFICATION AND GRADE	1942	1943	1944
	Dollars	Dollars	Dollars
Lambs for freezing -			
1st quality, light weight	8.98	9.32	8.44
1st quality, heavy weight, and 2d quality	8.71	9.05	8.14
Canners and butchers	3.98	4.19	3.11
Boilers (digester)	2.03	2.03	0.95
wethers for freezing -			
Light weight	4.59	5.27	5.33
Heavy weight	3.85	4.59	4.64
Canners and butchers	2.90	3.85	3.07
Boilers (digester)a/	1.35	1.49	0.95
Ewes for freezing -			
Light weight	3.78	4.59	4.64
Heavy weight	3.17	3.98	4.05
Canners and butchers	-	-	3.07
Boilers (digester)	b/	b/	0.95

La Res, February 5, 1944; August 20, 1943; February 5, 1942.

a/ Includes boiler ewes. b/ Included with boiler wethers.

PARAGUAYAN GOVERNMENT CREATES MEAT CORPORATION

On March 6, 1944, Paraguay enacted a law (Decree Law No. 2810) creating the Paraguayan Meat Corporation (La Corporacion Paraguayan de Carnes), which is considered to be of far-reaching significance for cattle producers in that country. The purpose of the legislation is to establish the cattle industry on a sound basis by giving the Corporation Directorate sufficient power to institute and carry out needed measures for the stabilization and development of the industry in the interests of both producers and consumers.

The Directorate is to consist of five titular members and four substitutes, and will be supervised by a titular trustee and a substitute trustee designated by the Executive Power as follows: (1) three members from a list of six candidates recommended by cattle producers; (2) two members representing the Ministry of Agriculture, who should be producers or persons of wide experience in the cattle business; and (3) a titular trustee designated by the Executive Power. Members of the Directorate must be Paraguayans. The Asociacion Rural del Paraguay may recommend a foreigner who lives permanently in Paraguay. The President of the Corporation must be a native Paraguayan.

Within 30 days after the appointment of a Directorate the organic charter of the Corporation is to be drawn up and submitted for executive approval. The Ministry of Agriculture will fix the date on which the Compensation Commission created by Decree Law 14856 of October 1, 1942, ^{1/} shall be abolished and its functions transferred to the Corporation for use in its compensation plan.

Among the many functions to be undertaken by the new Corporation, the following appear to be the most important: (1) The adoption of measures to regulate production and consumption, (2) the establishment of basic prices for cattle and meat products in the domestic market and for export, (3) the institution of the sale of cattle by weight throughout the whole Republic, and (4) the grading of meats and the establishment of commercial and industrial standards for meats.

The Corporation also has the power to, (1) fix quotas of cattle for domestic consumption, processing, and export; (2) enter into shipping contracts; and (3) make advances to cattle producers at reasonable interest rates in order to insure the purchase of all or part of their production.

The capital of the Corporation is to be 5,000,000 guaranies (1 guaraní = 32.26 cents), one fifth of which will be contributed by the Government. The latter will also provide 1,500,000 guaranies in the form of 10 percent of the annual profits realized. The cattle producers will contribute by paying 1.20 guaranies for each cow and 1.50 guaranies for each steer sold for domestic consumption, processing, or export until a total of 2,500,000 guaranies is obtained, after which they will make no further payments. Their investment will be represented by 25,000 shares, which are transferable only to cattle producers.

In addition to Corporation receipts from other sources, such as the profits from the sale of meat, hides, etc., and rents and interest, the Corporation is to

^{1/} See Foreign Crops and Markets, November 30, 1942, for details.

receive 30 centimos (9 cents) per head of cattle sold for domestic consumption, which is to be used for the construction of slaughter houses, scale installations, and any other equipment needed for the weighing and slaughtering of cattle. These payments are to be discontinued when the objectives for which they are required have been attained.

The profits of the corporation are to be distributed as follows:

- (a) 5 percent for the reserve fund up to 25 percent of the capital stock, after which this portion will be distributed equally between the State and cattle raisers.
- (b) 1.5 percent for the Directorate.
- (c) 3.5 percent for personnel.
- (d) 15 percent for the Ministry of Agriculture for use in developing the cattle industry.
- (e) 30 percent for the Government, of which one-third shall be used to make the Government's initial investment in the capital of the corporation.
- (f) 10 percent to the cattle producers in proportion to the investment of capital made by each.
- (g) 35 percent to cattle producers, distributed proportionally according to the deliveries of cattle made by each during the period.

CATTLE BANK FORMED IN CUNDINAMARCA, COLOMBIA

The important cattle raising Department of Cundinamarca, in Colombia, has authorized the establishment of a cattle bank or company under the name of Fondo Ganadero de Cundinamarca, for the purpose of further promoting the industry in that Department. An authorized capital stock of 1,000,000 pesos (1 peso = 57.29 cents) was authorized by Decree 911 of 1943, which was to be divided into 100,000 shares of 10 pesos each. The Department has subscribed 500,000 pesos in the form of 6.5 percent bonds and 100,000 pesos is expected to be obtained from the National Treasury. In addition, there have been a number of subscriptions from cattle owners and industrialists interested in some phase of the cattle business.

The method of operation is of interest in that cattle rather than funds are furnished. As an illustration, a man may have pasture land and time to operate a cattle ranch, but no cattle. He applies to the bank for cattle for a period of one year. At the end of the year a partial settlement is made, the borrower receiving 65 percent of the profits from his operations and the bank retaining 25 percent as a reserve. Thirty applications have already been approved by the bank for a total of 2,500 cattle, and a number of applications are under consideration. From 10 to 15 applications are being received daily. The operations of this bank are expected to give stimulus to the cattle industry and result in considerable improvement in production practices.

In 1942 Cundinamarca had 776,000 cattle, or 7 percent of the total number in Colombia, according to estimates of the Ministry of National Economy. This compares with only 549,000 head in 1938. Some of the best cattle in Colombia are raised in the highlands of Cundinamarca. These cattle are consumed mostly in Bogota.

GENERAL AND MISCELLANEOUS . . .

FOREIGN EXCHANGE

EXCHANGE RATES: Average value in New York of specified currencies,
week ended May 6, 1944 with comparisons a/

COUNTRY	MONETARY UNIT	YEAR 1943	MONTH				WEEK ENDED		
			1942	1943	1944		1944		
			APR.	APR.	MAR.	APR.	APR. 22	APR. 29	MAY 6
			Cents	Cents	Cents	Cents	Cents	Cents	Cents
Argentina <u>b/</u>	Paper peso	29.77	29.77	29.77	29.77	29.77	29.77	29.77	29.77
		<u>c/</u>							
Australia	Pound	322.80	321.50	322.80	322.80	322.80	322.80	322.80	322.80
Brazil <u>d/</u>	Cruzeiro	5.13	5.14	5.13	5.13	5.13	5.13	5.13	5.13
British India	Rupee	30.12	30.12	30.12	30.12	30.12	30.12	30.12	30.12
Canada <u>e/</u>	Dollar	89.98	87.17	90.20	89.33	89.97	90.16	90.06	90.06
Colombia <u>f/</u>	Peso	57.26	57.05	57.28	57.28	57.28	57.28	57.28	57.28
Mexico	Peso	20.58	20.57	20.57	20.58	20.58	20.58	20.58	20.58
New Zealand	Pound	324.20	322.79	324.42	324.42	324.42	324.42	324.42	324.42
South Africa	Pound	398.00	398.00	398.00	398.00	398.00	398.00	398.00	398.00
United Kingdom	Pound	403.50	403.50	403.50	403.50	403.50	403.50	403.50	403.50
Uruguay <u>g/</u>	Peso	52.86	52.74	52.75	52.95	52.96	52.96	52.96	52.96

Federal Reserve Board.

a/ Noon buying rates for cable transfers.

b/ Official, regular exports. The special export rate of 23.70 cents, reported beginning March 27, 1941, applies to exchange derived from certain minor exports (e.g. dairy products) to certain countries (e.g. United States), such exchange formerly having been sold in the free market. Quotations nominal.

c/ Free. Quotation of free rate discontinued after February 1, 1943.

d/ Free. Prior to November 1, 1942, the official designation of the Brazilian currency unit was the milreis. Since April 10, 1939, 30 percent of the exchange derived from exports must be turned over at the official buying rate of 6.06 cents, the weighted average value of the milreis being 5.41 cents in 1943, the value of the cruzeiro 5.41 cents in April, 1944, and 5.41 cents in the week ended May 6, 1944. Quotations nominal.

e/ Free. Most transactions between Canada and the United States take place at the official buying and selling rates.

f/ Quotations nominal.

g/ Noncontrolled. Quotations nominal.